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# FISCAL SURVEY OF THE STATES 1981-1982

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# FISCAL SURVEY OF THE STATES, 1981-82

## 1. Introduction

This is the eighth volume in the annual Fiscal Survey of the States published by the National Governors' Association and the National Association of State Budget Officers. The survey is the only current source of information on state general fund budget estimates. Other sources provide narrative-type information on state fiscal condition, but do not attempt to provide a consistent series dealing with actual estimates of revenues and expenditures for each state for the year immediately past, the current year, and the budget year.[1]

The information in this survey was obtained in early 1982, generally after the governors' FY 1983 budgets were presented to the legislatures, but before the legislatures acted on them. Data for FY 1981 reflect actual results. Data for the current year (FY 1982) are predictions based upon some months of actual experience and some estimates. Actual FY 1982 results will differ from the information shown here because of occurrences in the first half of 1982 that could not accurately be predicted when the governors filed their budgets in early 1982. Differences will reflect such factors as downward revisions in revenue resulting from a deeper recession than anticipated,

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[1] Forty-six states are on a fiscal year that begins in July and ends on the last day of June. For these states the past year (FY 1981) extended from July 1980 through June 1981, the current year runs from July 1981 through June 1982, and the budget year begins on July 1, 1982. For states with other fiscal years (Alabama, starting on October 1; Michigan, October 1; New York, April 1; and Texas, September 1), the fiscal year designation refers to the year in which the fiscal year ends.

revisions in both revenue and spending resulting from federal budget changes, and revisions in expenditures affected by such factors as welfare caseloads and medical costs. Data for FY 1983 reflect recommendations of the governors to the legislature and are subject to all of the uncertainties indicated above plus any changes due to legislative action.

The data provided in this survey relate to the general fund of each state and generally do not include federal grant dollars. States also have special funds earmarked for particular purposes. The most prominent example of the special funds are state highway trust funds, which are supported by fuel taxes and motor license fees. Other special funds are relatively small, however, and are less important to a state's financial condition. State game and fish funds are an example. Because most broad-based state services and most state aid to schools and local governments are financed from the general fund, the status of the general fund is the best single gauge of the financial condition of a state.

All states except Vermont have legal constraints against incurring deficits in their general operating budgets, and Vermont, like other states, has strong traditions favoring a balanced budget. Unlike the federal government, which has operated with an annual deficit for the past twenty years, state governments rarely incur deficits. However, comparisons between "state balances" and "federal deficits" can be misleading if they do not include an explanation of important differences in federal and state government finance. For example, state governments account for general operating funds and capital project funds in separate budgets; the federal government does not.

Although states normally avoid operating deficits, they do have debts associated with past capital projects. Total state debt outstanding at the end of FY 1980 was $122 billion. This debt would not be reflected directly in state operating budgets. It would be reflected indirectly as state operating budgets normally contain appropriations for debt service – payment of interest and repayment of principal on outstanding bonds.

In order to comply with legal constraints on incurring deficits yet cover cash flow needs and emergencies, states plan year-end balances. These generally unobligated balances help states stabilize their program and service levels during fluctuations in the economy. Substantial balances are often required for cash-flow reasons alone.

Although some states can issue short-term notes to cover cash needs, others must have cash to pay their bills every day of the year. Often the low-cash day – the day of the year that the cash balance is lowest – occurs at some time other than the beginning of the fiscal year. A state that has its low-cash day in October, with cash $100 million below its July 1 total, would need a July 1 balance of at least $100 million to avoid being broke in October.

State balances serve a number of purposes: hedges against economic uncertainty or misjudgments of revenue or expenditures; reserves against natural disasters, pending litigation, or other emergencies; and assurances of adequate cash flow. If these contingencies do not develop, some states use the year-end balance as a source of funding for capital projects. In other states, the balance is carried over as a resource to fund expenditures in the following year.

Section 2 of this report presents a summary analysis of state governments in the aggregate. Section 3 provides a more detailed analysis that deals with individual states as well as overall trends. That section is supplemented by state-by-state tabulations, which appear as appendix tables. Section 4 deals with the outlook for state finances.

## 2. Summary Analysis

Table 1 presents summary data on the fiscal condition of all fifty states combined into national totals.

During FY 1981, total state expenditures exceeded revenues by a little over $5 billion. States made up the difference by drawing down balances, as predicted in the 1980-81 fiscal survey. As a result, states finished the year with aggregate balances at less than 5 percent of expendi-

**Table 1**

GENERAL FUND SUMMARY: FY 1981-83

($ in billions)

| | FY 1981 Actual | FY 1982 Estimate | FY 1983 Estimate |
|---|---|---|---|
| Beginning Balance | $ 11.8 | $ 6.5 | $ 2.4 |
| Revenues and Adjustments | $141.2 | $153.7 | $ 167.4 |
| Expenditures and Transfers | $146.5 | $157.8 | $ 168.0 |
| Ending Balance | $ 6.5 | $ 2.4 | $ 1.8 |
| Balance as % of Current-Year Expenditure | 4.5% | 1.5% | 1.1% |

tures, which some observers consider the financially prudent level.

Balances are substantially below the levels reported in past years. The comparative balances as a percent of expenditures are:

| | | |
|---|---|---|
| FY 1977 | | 5.9% |
| FY 1978 | | 8.6% |
| FY 1979 | | 8.7% |
| FY 1980 | | 9.0% |
| FY 1981 | | 4.5% |
| FY 1982 | est. | 1.5% |
| FY 1983 | est. | 1.1% |

These comparisons show a dramatic decline in state government year-end balances in relationship to spending levels. The data clearly reflect an underlying reality of lower balances. However, in interpreting these comparisons three important points should be kept in mind: (1) the balance for state governments in the late 1970s was heavily influenced by extraordinarily large balances in two states (Alaska and California); (2) the FY 1983 estimate is

significantly affected by a negative balance of $1.2 billion for Ohio – thus if legislative action balances the Ohio budget, the FY 1983 balance level will be above that of FY 1982, assuming that fiscal situations do not worsen in the other states; and (3) the figures shown for years prior to 1980 sometimes do not include all fifty states.

The current fiscal year is proving to be a difficult one for state governments. Federal budget cuts have affected state governments directly and indirectly through pressures for added spending to support local governments hard hit by federal aid cuts. The current recession has adversely affected revenues and at the same time created pressures to increase spending for social programs. A survey released by the National Conference of State Legislatures in January indicated that thirty states were then facing deficits in FY 1982. Table 1 shows that state governments, in the aggregate, will be spending about $4 billion more than revenues during FY 1982. The detailed analysis presented in the appendix to this report (Table A-8) shows that officials in thirty-seven states were expecting expenditures (including transfers) to exceed revenues (including adjustments) in FY 1982.

Many states are dealing with this imbalance between FY 1982 revenues and expenditures by reducing their balances. The current-year balance drawdown, as shown in Table 1, is over $4 billion. As a result, at the time of this survey only seven states were showing FY 1982 expenditures that exceeded FY 1982 resources (beginning balance plus revenues and adjustments), as shown in detail on Table A-4. Many of these states had various revenue-raising and expenditure reduction measures under consideration at the time of this survey.

Especially hard hit were the states where the recession's impact has been the greatest. This includes the states in the Northwest that are heavily dependent on lumbering and the manufacturing centers of the Midwest, particularly those tied to the auto industry.

As shown in Table 1, state officials are expecting to enter FY 1983 with balances well below those of prior

years. With balances down to only $2.4 billion, it will obviously be impossible for states to repeat their FY 1982 performance of drawing down balances by over $4 billion. As a result, many states face expenditure reductions, revenue increases or both to maintain budget balance. A survey by the National Conference of State Legislatures, released in May, indicated that five states had raised personal income taxes, seven took action on sales taxes, many raised other taxes, and many other tax increases were under consideration in legislatures still in session.

Some states, such as Minnesota and Oregon, have created temporary surtaxes to deal with their fiscal problems. Many states have frozen hiring, cut capital spending and made other expenditure adjustments. In some states most severely affected by the recession, such as Ohio and Michigan, the legislatures are debating fiscal strategy in an environment where many cost-cutting actions have already been taken.

### 3. Detailed Analysis

Table A-1 shows the ending balances by state for the fiscal years from 1980 through 1983. The FY 1980 ending balance of $11.8 billion included balances of over $2 billion in California and Alaska. Much of the decline in balances between 1980 and 1981 is attributable to these two states, which each dropped their balances below $1 billion. The drop in balances of about $4 billion between FY 1981 and FY 1982 includes a decline of over $900 million in Alaska and over $500 million in California. However, in FY 1983, both these states are showing increasing balances as they attempt to restore reserves from historically low levels.

A few states constitute the major portion of the FY 1983 ending balance of $1.8 billion. They are Texas ($513 million), California ($501 million), and Alaska ($303 million). Other states with balances above $100 million expected at the end of FY 1983 are Florida, Illinois, Kansas, Minnesota, Missouri, and Oklahoma. Many of these are states with large general fund budgets, so relatively large balances may represent a small percentage of annual expenditures. For example, Illinois's expected $180 million

surplus is only 2 percent of its likely expenditures that year, far below the 5 percent recommended "safety" level.

Balances in these states should not be construed as "surplus" funds available for expenditure. In many cases, these are funds related to obligations entered into but not yet liquidated by payment or expected spending out of prior-year appropriations.

In twenty-one states, FY 1983 balances of from zero to $20 million are reported. In many circumstances, the officials of these states target for a zero balance or one with a slight margin above zero. In such situations, however, the cash on hand at the end of the fiscal year may exceed the reported balance. This occurs because of cash, not included in the balance, that is set aside (as it is automatically in accrual and modified accrual accounting systems) to meet obligations incurred but not yet liquidated.

Table A-1 shows a significant number of negative entries. In some cases, such as Virginia's, the negative entry reflects a biennial budget that must be balanced on a two-year, rather than a one-year, basis. In other cases, such as Oregon, Minnesota, and Connecticut, it reflects unanticipated circumstances that caused expenditures to exceed resources available. Ohio's massive negative balance at the end of FY 1983 is a result of a mismatch of current revenue sources and spending patterns, a matter that is now being considered by the Ohio legislature.

Year-end balances are expressed as a percentage of expenditures in Table A-2. The average for all states combined drops from 4.5 percent at the end of FY 1981 to 1.1 percent at the end of FY 1983, a very low level in relation to historical patterns. Balances at the end of FY 1983 exceed 10 percent of expenditures in only two states: Nevada and Wyoming. In the survey last year six states expected balances at or above this level for FY 1982.

Tables A-3, A-4, and A-5 show state resources, expenditures, and balances for each of the three fiscal years.

Table A-6 expresses the ending balance of each year as the number of working days that could be financed out of the balance. (The total number of working days was assumed to be 250, 52 five-day weeks minus 10 holidays.) The average in all states drops from 11 days to only 4 days in FY 1982 and 3 days in FY 1983.

Tables A-7, A-8, and A-9 show state budgets for each of the fiscal years on a basis comparable to the federal budget, where revenues and expenditures in the fiscal year are compared without considering balances at the beginning of the year, transfers, or adjustments. On this basis, states were in deficit in all three years. During the current year, thirty-seven of the fifty states expect to be spending more than their revenues. The number expecting to do this in FY 1983 drops to twenty-five, as an increasing number of states have little or no balance to draw down to cover spending that exceeds current revenues.

Table A-10 translates changes in state spending into real (inflation-adjusted) terms. For example, the entries shown for Alabama indicate that the FY 1982 budget fell $94 million short of what would have been required to match cost increases and maintain all FY 1981 programs. This calculation is highly sensitive to the indicator used to measure inflation and to predictions of how that indicator will behave over the next year. The calculation in Table A-10 uses the gross national product deflator for state and local government purchases. The FY 1981-82 comparison uses an 8.5 percent increase, which was the actual increase in the fourth quarter of 1981 over the fourth quarter of 1980. A 5 percent increase is used for the FY 1982-83 change, reflecting predictions by most economists of a substantial slowdown in the rate of inflation. On this basis, state governments cut real spending from FY 1981 to FY 1982, but will increase real spending in FY 1983, assuming inflation is held to 5 percent. An assumption of a slightly higher inflation rate would wipe out this increase. Table A-11 presents this inflation-adjusted information on a percentage basis.

Table A-12 presents expenditure increases in nominal terms, that is, without any inflation adjustments. Table A-

13 translates these figures into percentage increases by year and for the two years combined. The final column, showing increases over the two years, evens out year-to-year fluctuations. It should be remembered that the two-year increase will not be the sum of the one-year increases because of compounding. For example, a state increasing its budget by 10 percent a year will have a budget increase of 21 percent in two years.

Total state general fund budgets increased by 15 percent in the two years. However, Delaware, Illinois, Indiana, Minnesota, Nevada, New Hampshire, Oregon, and Rhode Island all had increases of less than 10 percent. Alaska shows a decrease resulting from unusual expenditure patterns associated with oil revenues. States with increases from 20 to 25 percent include Colorado, Florida, Idaho, Louisiana, Mississippi, New Jersey, South Dakota, Vermont, Washington and Wisconsin. States showing more than a 25 percent increase in two years are Montana, New Mexico, North Dakota, Oklahoma, Texas and Utah. These are states with growing populations and revenue growth related to natural resources. Ohio also shows an increase that would put it into this class, but only on the assumption that the legislature will accept a budget that is unbalanced by over $1 billion in a single year.

## 4. The Outlook for State Finances

**Economic Factors.** State governments rely heavily upon sales and income taxes. Revenues from flat rate sales taxes grow proportionally to consumer spending, with both reflecting inflationary price increases over the past several years. Revenues from flat rate income taxes grow proportionally to income, and graduated income tax revenues grow faster than income growth. Access to these revenue sources has helped states maintain balanced budgets in an inflationary environment without wholesale tax increases.

However, recent economic conditions are putting substantial pressure on the finances of state governments. High unemployment and slower wage growth adversely affect both income and sales tax receipts and, at the same time, increase pressures for additional spending for income

support programs. The drop in farm income has adversely affected revenues in states where a high proportion of economic activity is related to agriculture. Even in the states that have enjoyed increasing revenues from severance taxes, the recent dip in petroleum prices has caused pauses in revenue growth.

**Federal Tax Law Changes.** Changes in federal tax law that were enacted last year continue to affect state finances and will do so throughout the 1980s. Many states tie both their corporate and personal income tax to the federally defined base and often adopt credits comparable to those in federal law. In these states the accelerated cost recovery system for corporate depreciation will sharply impact corporate tax collections. The personal income tax base is also eroded by such measures as all savers certificates, expansion of contribution limits on individual retirement accounts, and exemption of certain reinvested dividends. Accelerated cost recovery also affects personal income tax returns, as it increases depreciation taken on rental property.

In those states that base their tax on a percentage of federal tax liability, the federal reductions would automatically translate into decreased state revenues, unless the state rate is changed – a step that has been taken in Vermont and Nebraska.

The tax credit for two-income households will also adversely affect revenues in the states that follow the federal tax law change.

**Federal Budget Cuts.** A number of factors muted the effects the federal FY 1982 budget cuts had on state finances. In some cases, such as employment and training (Comprehensive Employment and Training Act), the cuts resulted in service curtailments with no impact on state general fund revenues or expenditures. In other cases, such as Aid to Families with Dependent Children (AFDC), the reductions resulted in cutbacks in both state and federal spending in cost-shared programs. In still other cases, such as sewage treatment plant construction, reductions merely postponed outlays. Finally, the impact of the cuts was

delayed because of the availability of carryover funds from FY 1981.

The impact of cuts proposed for federal FY 1983, which will affect the states in their FY 1983 budgets, will be considerably more severe if the cuts proposed by the president remain after congressional consideration of the budget. Particularly significant are changes in Medicaid and Aid to Families with Dependent Children that would likely shift costs to state governments. Also the effects of cuts in budget authority in federal FY 1982 will have lagged effects on federal outlays in FY 1983.

**Local Government.** Over the past decade, states have been rapidly increasing their assistance to local governments. As a result, state aid has accounted for an increasing proportion of local spending, and local taxes for a decreasing share. Thus, states share the financial problems and successes of their local governments. Federal budget cuts affecting cities, counties, and school districts will also put pressures on state finances. In addition, the recent slump in the real estate market is likely to find its way into property valuations for real property taxes – the mainstay of local finance.

**State Responses.** With some notable exceptions, state governments generally avoided general fund tax increases for FY 1982 in their legislative sessions in 1981. Most of the tax increases affected special funds for highways, where flat rate gasoline taxes must be increased to reflect inflation.

In the 1982 legislative sessions, however, the pressure for tax increases has been higher. Situations that might have appeared to be temporary fiscal pressures begin to look more permanent and, as shown earlier in this report, the FY 1981 ending balances were largely consumed in FY 1982. Expectations are widespread that federal allocations to state government will be cut. The federal depreciation rules, as they phase in, will continue to cut corporate tax yields. In this environment, most of the state officials surveyed indicate that they are taking administrative measures to cut spending (for example, freezing vacancies,

cutting back on travel and/or equipment purchases), and many legislatures have adopted tax increases or have tax increase proposals pending.

In 1981, state and local spending in the national income accounts decreased in real (inflation-adjusted) terms. Whether this real decline will appear again in 1982 will depend upon such factors as legislative decisions not yet made and the inflation rate experienced in 1982.

The most significant factor affecting the financial health of state governments in the remainder of 1982 and 1983 will be the condition of the national economy. States most adversely affected by current economic conditions, such as Washington, Michigan, and Ohio, have nearly or completely exhausted belt-tightening possibilities and have begun to consider much more significant cuts (in aid to local governments) and revenue increases. However, no amount of state government action will produce a strong fiscal condition in the face of recession. Basically, states are sharing the economic woes of their citizens.

## APPENDIX

### Technical Notes

**The Survey.** The survey on which this report was based was taken by the National Association of State Budget Officers and the National Governors' Association early in 1982. The questionnaires were completed by state budget officers. The data generally reflect the estimates made in the governors' budget proposals to the legislatures.

**Biennial Budget States.** Twenty-one states enact budgets for two fiscal years rather than one (Arkansas, Florida, Hawaii, Indiana, Iowa, Kentucky, Maine, Minnesota, Montana, Nevada, New Hampshire, North Carolina, North Dakota, Ohio, Oregon, Texas, Vermont, Virginia, Washington, Wisconsin and Wyoming). In these states, the requirement for a balanced budget requires a budget that is balanced over the biennium. In such states, it is possible for the balance at the end of the first year to be a negative number.

**Adjustments, Transfers and Expenditure Reporting.** The structure of the survey presumed accounting identities as follows:

(1) TOTAL FUNDS AVAILABLE = Beginning Balance + Adjustments + Revenue

(2) ENDING BALANCE = Total Funds Available - Transfers - Expenditures

(3) BEGINNING BALANCE, Year N = Ending Balance, Year N-1

Exceptions to this identity result from rounding and from the practice in a few states of making adjustments between the ending balance in one year and the beginning balance in the next, which are handled as transfers or adjustments in most states. These exceptions have only a minor impact on the overall results of the survey.

Reporting concepts within this structure vary from state to state, as do definitions of what activities are included in the general fund. Thus, the results of the fiscal survey are not particularly appropriate for comparisons among states in total spending (for example, per capita expenditures). They are more appropriate for comparisons over time in the same state.

**Relationship to Other Reports.** The general fund is what is usually referred to in news reports that a state budget is balanced or that revenues are running behind estimates. In addition, the general fund supports most broad-based state activities and is the source of most state aid to local governments. As such, it is the appropriate concept for considering the current fiscal position of state governments. This general fund orientation is also found in a comparative survey of city governments conducted by the Municipal Finance Officers Association for the Joint Economic Committee.

Bureau of Census reports on governmental finances reflect aggregate (all fund) spending. As a result, they are more useful for comparing spending from state to state,

but less useful for comparisons of changes in state fiscal condition.

National income account data, prepared by the Bureau of Economic Analysis of the Department of Commerce, differ in concept from those presented in this survey and by the Census Bureau. Certain outlays (for example, for purchase of land and principal repayment on debt) are reflected in this survey, but not in the national income accounts. However, the most significant difference is that the income accounts consolidate the finances of state retirement systems with those of state government. From a state official's perspective, the retirement system is a separate entity with funds that cannot legally be used for any other purpose than paying pension benefits. Thus, state budgets do not include expenditures for actual payment to pension beneficiaries but do include employer contributions to the boards that administer pension programs.

State and local pension plans take in considerably more in investment income and contributions from employers and employees than they spend in benefits. This is necessary so that enough money will have accumulated during an employee's working period to pay pensions in the retirement period. This fact creates a national income accounts surplus for state and local governments, which is estimated to be $36.7 billion in 1981. Pension funds account for nearly 90 percent of this amount. The nonpension portion of the state-local sector is estimated to be in slight surplus ($2.3 billion at seasonally adjusted annual rates) in the last quarter (1981 IV) for which estimates have been made.

# APPENDIX TABLES

**Table A-1**

ENDING BALANCES BY STATE

($ millions)

| State | FY 1980 | FY 1981 | FY 1982 | FY 1983 |
|---|---|---|---|---|
| Alabama | 18 | 29 | 19 | 3 |
| Alaska | 2,222 | 892 | -32 | 303 |
| Arizona | 234 | 133 | 46 | 15 |
| Arkansas | 0 | 0 | 0 | 0 |
| California | 2,763 | 681 | 124 | 501 |
| Colorado | 307 | 57 | 0 | 84 |
| Connecticut | 3 | -66 | -34 | 0 |
| Delaware | 69 | 51 | 36 | 45 |
| Florida | 654 | 601 | 382 | 193 |
| Georgia | 159 | 87 | 0 | 0 |
| Hawaii | 179 | 232 | 173 | 72 |
| Idaho | 7 | 2 | 6 | 0 |
| Illinois | 390 | 197 | 150 | 180 |
| Indiana | 217 | 30 | 58 | 18 |
| Iowa | 28 | 31 | 26 | 30 |
| Kansas | 162 | 140 | 140 | 141 |
| Kentucky | 15 | 10 | 0 | 1 |
| Louisiana | 549 | 556 | 174 | 0 |
| Maine | 19 | 25 | 20 | 35 |
| Maryland | 293 | 150 | 145 | 0 |
| Massachusetts | 52 | 52 | 36 | 95 |
| Michigan | 0 | 0 | 0 | 0 |
| Minnesota | 121 | -22 | -587 | 127 |
| Mississippi | 60 | 77 | 25 | 0 |
| Missouri | 240 | 74 | 105 | 144 |

| | | | | |
|---|---|---|---|---|
| Montana | 42 | 61 | 35 | 30 |
| Nebraska | 116 | 57 | -20 | 41 |
| Nevada | 66 | 46 | 55 | 50 |
| New Hampshire | 10 | -31 | -31 | 1 |
| New Jersey | 281 | 305 | 129 | 31 |
| New Mexico | 140 | 192 | 176 | 90 |
| New York | 11 | 11 | 11 | 11 |
| North Carolina | 285 | 155 | 0 | 88 |
| North Dakota | 157 | 174 | 116 | 27 |
| Ohio | 27 | 10 | 0 | -1,233 |
| Oklahoma | 281 | 382 | 405 | 100 |
| Oregon | 147 | 6 | -61 | 23 |
| Pennsylvania | 67 | 72 | 3 | 1 |
| Rhode Island | 63 | 31 | 4 | 1 |
| South Carolina | 49 | 4 | 0 | 0 |
| South Dakota | 16 | 20 | 10 | 6 |
| Tennessee | 84 | 52 | 47 | 47 |
| Texas | 439 | 676 | 508 | 513 |
| Utah | 8 | 24 | 13 | 3 |
| Vermont | -7 | -1 | 0 | 0 |
| Virginia | 279 | 45 | 49 | -123 |
| Washington | 125 | 6 | -165 | 17 |
| West Virginia | 97 | 48 | 9 | 0 |
| Wisconsin | 71 | 24 | 43 | 21 |
| Wyoming | 140 | 94 | 70 | 90 |
| **Total** | 11,755 | 6,482 | 2,418 | 1,822 |

Table A-2

ENDING BALANCE AS PERCENTAGE OF EXPENDITURES

(balance at end of year related to expenditure during year)

| State | FY 1981 | FY 1982 | FY 1983 |
|---|---|---|---|
| Alabama | 1.7 | 1.1 | 0.2 |
| Alaska | 18.0 | -0.6 | 8.0 |
| Arizona | 9.1 | 2.8 | 0.9 |
| Arkansas | 0.0 | 0.0 | 0.0 |
| California | 3.2 | 0.6 | 2.2 |
| Colorado | 4.3 | 0.0 | 5.2 |
| Connecticut | -2.4 | -1.2 | 0.0 |
| Delaware | 7.7 | 5.4 | 6.4 |
| Florida | 13.8 | 7.9 | 3.6 |
| Georgia | 2.7 | 0.0 | 0.0 |
| Hawaii | 20.2 | 14.1 | 5.3 |
| Idaho | 0.5 | 1.4 | 0.0 |
| Illinois | 2.4 | 1.8 | 2.0 |
| Indiana | 1.4 | 2.6 | 0.8 |
| Iowa | 1.9 | 1.5 | 1.6 |
| Kansas | 11.1 | 10.4 | 10.0 |
| Kentucky | 0.5 | 0.0 | 0.0 |
| Louisiana | 16.5 | 4.3 | 0.0 |
| Maine | 4.3 | 3.2 | 5.2 |
| Maryland | 5.3 | 5.0 | 0.0 |
| Massachusetts | 0.9 | 0.6 | 1.4 |
| Michigan | 0.0 | 0.0 | 0.0 |
| Minnesota | -0.7 | -13.9 | 3.5 |
| Mississippi | 7.0 | 2.0 | 0.0 |
| Missouri | 3.6 | 5.1 | 6.3 |

| | | | |
|---|---|---|---|
| Montana | 23.0 | 10.5 | 8.9 |
| Nebraska | 8.6 | -2.7 | 5.6 |
| Nevada | 11.6 | 14.6 | 11.8 |
| New Hampshire | -11.1 | -10.6 | 0.4 |
| New Jersey | 5.9 | 2.2 | 0.5 |
| New Mexico | 18.7 | 15.6 | 6.8 |
| New York | 0.1 | 0.1 | 0.1 |
| North Carolina | 4.9 | 0.0 | 2.5 |
| North Dakota | 50.9 | 27.9 | 5.8 |
| Ohio | 0.2 | 0.0 | -16.3 |
| Oklahoma | 30.1 | 25.2 | 5.0 |
| Oregon | 0.4 | -4.1 | 1.4 |
| Pennsylvania | 1.1 | 0.0 | 0.0 |
| Rhode Island | 2.9 | 0.4 | 0.1 |
| South Carolina | 0.2 | 0.0 | 0.0 |
| South Dakota | 8.7 | 3.6 | 2.1 |
| Tennessee | 3.2 | 2.7 | 2.5 |
| Texas | 17.8 | 9.8 | 9.8 |
| Utah | 3.1 | 1.5 | 0.3 |
| Vermont | -0.4 | 0.0 | 0.0 |
| Virginia | 1.6 | 1.7 | -3.7 |
| Washington | 0.2 | -4.8 | 0.5 |
| West Virginia | 4.3 | 0.7 | 0.0 |
| Wisconsin | 0.7 | 1.2 | 0.5 |
| Wyoming | 29.7 | 18.9 | 23.9 |
| **Weighted Average** | 4.5 | 1.5 | 1.1 |

Table A-3

RESOURCES, EXPENDITURES, AND BALANCES, FY 1981

($ millions)

| State | Resources | Expenditures | Balance |
|---|---|---|---|
| Alabama | 1,731 | 1,703 | 29 |
| Alaska | 5,940 | 5,049 | 892 |
| Arizona | 1,639 | 1,506 | 133 |
| Arkansas | 1,009 | 1,009 | 0 |
| California | 21,786 | 21,105 | 681 |
| Colorado | 1,480 | 1,423 | 57 |
| Connecticut | 2,661 | 2,726 | -66 |
| Delaware | 711 | 660 | 51 |
| Florida | 4,970 | 4,369 | 601 |
| Georgia | 3,295 | 3,207 | 87 |
| Hawaii | 1,382 | 1,150 | 232 |
| Idaho | 395 | 393 | 2 |
| Illinois | 8,489 | 8,292 | 197 |
| Indiana | 2,206 | 2,176 | 30 |
| Iowa | 1,657 | 1,626 | 31 |
| Kansas | 1,411 | 1,272 | 140 |
| Kentucky | 1,955 | 1,942 | 10 |
| Louisiana | 3,992 | 3,436 | 556 |
| Maine | 612 | 586 | 25 |
| Maryland | 2,996 | 2,847 | 150 |
| Massachusetts | 6,148 | 6,095 | 52 |
| Michigan | 4,503 | 4,504 | 0 |
| Minnesota | 3,590 | 3,611 | -22 |
| Mississippi | 1,177 | 1,100 | 77 |
| Missouri | 2,134 | 2,060 | 74 |

| | | | |
|---|---|---|---|
| Montana | 326 | 265 | 61 |
| Nebraska | 722 | 665 | 57 |
| Nevada | 442 | 397 | 46 |
| New Hampshire | 249 | 279 | -31 |
| New Jersey | 5,457 | 5,152 | 305 |
| New Mexico | 1,220 | 1,028 | 192 |
| New York | 15,193 | 15,181 | 11 |
| North Carolina | 3,309 | 3,154 | 155 |
| North Dakota | 524 | 350 | 174 |
| Ohio | 5,682 | 5,672 | 10 |
| Oklahoma | 1,652 | 1,270 | 382 |
| Oregon | 1,509 | 1,503 | 6 |
| Pennsylvania | 6,872 | 6,802 | 72 |
| Rhode Island | 1,096 | 1,065 | 31 |
| South Carolina | 1,768 | 1,765 | 4 |
| South Dakota | 249 | 229 | 20 |
| Tennessee | 1,709 | 1,658 | 52 |
| Texas | 5,175 | 4,500 | 676 |
| Utah | 808 | 784 | 24 |
| Vermont | 244 | 246 | -1 |
| Virginia | 2,862 | 2,816 | 45 |
| Washington | 2,989 | 2,984 | 6 |
| West Virginia | 1,177 | 1,129 | 48 |
| Wisconsin | 3,471 | 3,447 | 24 |
| Wyoming | 410 | 316 | 94 |
| **Total** | 152,984 | 146,504 | 6,482 |

**Note:** Resources include 1980 balances carried forward plus (or minus) adjustments plus revenues. Expenditures include transfers (plus or minus).

**Table A-4**

RESOURCES, EXPENDITURES, AND BALANCES, FY 1982

($ millions)

| State | Resources | Expenditures | Balance |
|---|---|---|---|
| Alabama | 1,773 | 1,754 | 19 |
| Alaska | 5,228 | 5,259 | -32 |
| Arizona | 1,710 | 1,664 | 46 |
| Arkansas | 1,089 | 1,089 | 0 |
| California | 22,162 | 22,039 | 124 |
| Colorado | 1,455 | 1,454 | 0 |
| Connecticut | 2,924 | 2,958 | -34 |
| Delaware | 702 | 666 | 36 |
| Florida | 5,239 | 4,858 | 382 |
| Georgia | 3,522 | 3,522 | 0 |
| Hawaii | 1,398 | 1,225 | 173 |
| Idaho | 428 | 422 | 6 |
| Illinois | 8,481 | 8,331 | 150 |
| Indiana | 2,263 | 2,205 | 58 |
| Iowa | 1,798 | 1,772 | 26 |
| Kansas | 1,487 | 1,346 | 140 |
| Kentucky | 2,087 | 2,087 | 0 |
| Louisiana | 4,526 | 4,353 | 174 |
| Maine | 654 | 634 | 20 |
| Maryland | 3,074 | 2,929 | 145 |
| Massachusetts | 6,721 | 6,685 | 36 |
| Michigan | 4,568 | 4,568 | 0 |
| Minnesota | 3,984 | 4,571 | -587 |
| Mississippi | 1,261 | 1,236 | 25 |
| Missouri | 2,168 | 2,063 | 105 |

| | | | |
|---|---|---|---|
| Montana | 367 | 332 | 35 |
| Nebraska | 713 | 733 | -20 |
| Nevada | 433 | 378 | 55 |
| New Hampshire | 260 | 292 | -31 |
| New Jersey | 5,872 | 5,743 | 129 |
| New Mexico | 1,307 | 1,130 | 176 |
| New York | 16,768 | 16,757 | 11 |
| North Carolina | 3,435 | 3,435 | 0 |
| North Dakota | 549 | 434 | 116 |
| Ohio | 5,998 | 5,998 | 0 |
| Oklahoma | 2,009 | 1,604 | 405 |
| Oregon | 1,436 | 1,497 | -61 |
| Pennsylvania | 7,160 | 7,157 | 3 |
| Rhode Island | 1,144 | 1,143 | 4 |
| South Carolina | 1,880 | 1,880 | 0 |
| South Dakota | 286 | 276 | 10 |
| Tennessee | 1,788 | 1,741 | 47 |
| Texas | 5,395 | 4,887 | 508 |
| Utah | 891 | 881 | 13 |
| Vermont | 274 | 273 | 0 |
| Virginia | 2,951 | 2,902 | 49 |
| Washington | 3,257 | 3,421 | -165 |
| West Virginia | 1,326 | 1,317 | 9 |
| Wisconsin | 3,536 | 3,493 | 43 |
| Wyoming | 441 | 371 | 70 |
| **Total** | 160,178 | 157,765 | 2,418 |

**Note:** Resources include 1981 balances carried forward plus (or minus) adjustments plus revenues. Expenditures include transfers (plus or minus).

Table A-5

RESOURCES, EXPENDITURES, AND BALANCES, FY 1983

($ millions)

| State | Resources | Expenditures | Balance |
|---|---|---|---|
| Alabama | 1,897 | 1,894 | 3 |
| Alaska | 4,102 | 3,799 | 303 |
| Arizona | 1,727 | 1,712 | 15 |
| Arkansas | 1,198 | 1,198 | 0 |
| California | 23,704 | 23,203 | 501 |
| Colorado | 1,714 | 1,630 | 84 |
| Connecticut | 3,172 | 3,172 | 0 |
| Delaware | 750 | 705 | 45 |
| Florida | 5,501 | 5,308 | 193 |
| Georgia | 3,732 | 3,732 | 0 |
| Hawaii | 1,442 | 1,370 | 72 |
| Idaho | 477 | 477 | 0 |
| Illinois | 8,964 | 8,784 | 180 |
| Indiana | 2,369 | 2,351 | 18 |
| Iowa | 1,947 | 1,918 | 30 |
| Kansas | 1,628 | 1,486 | 141 |
| Kentucky | 2,290 | 2,290 | 1 |
| Louisiana | 4,403 | 4,402 | 0 |
| Maine | 714 | 679 | 35 |
| Maryland | 3,242 | 3,242 | 0 |
| Massachusetts | 7,116 | 7,022 | 95 |
| Michigan | 5,219 | 5,219 | 0 |
| Minnesota | 4,098 | 3,970 | 127 |
| Mississippi | 1,315 | 1,315 | 0 |
| Missouri | 2,443 | 2,299 | 144 |

| | | | |
|---|---|---|---|
| Montana | 368 | 338 | 30 |
| Nebraska | 773 | 732 | 41 |
| Nevada | 472 | 422 | 50 |
| New Hampshire | 285 | 283 | 1 |
| New Jersey | 6,404 | 6,373 | 31 |
| New Mexico | 1,407 | 1,317 | 90 |
| New York | 17,861 | 17,850 | 11 |
| North Carolina | 3,603 | 3,515 | 88 |
| North Dakota | 496 | 469 | 27 |
| Ohio | 6,332 | 7,555 | -1,233 |
| Oklahoma | 2,092 | 1,992 | 100 |
| Oregon | 1,644 | 1,621 | 23 |
| Pennsylvania | 7,569 | 7,568 | 1 |
| Rhode Island | 1,149 | 1,149 | 1 |
| South Carolina | 2,082 | 2,082 | 0 |
| South Dakota | 289 | 284 | 6 |
| Tennessee | 1,941 | 1,894 | 47 |
| Texas | 5,756 | 5,243 | 513 |
| Utah | 1,001 | 1,000 | 3 |
| Vermont | 309 | 309 | 0 |
| Virginia | 3,195 | 3,318 | -123 |
| Washington | 3,702 | 3,685 | 17 |
| West Virginia | 1,345 | 1,345 | 0 |
| Wisconsin | 4,173 | 4,151 | 21 |
| Wyoming | 466 | 376 | 90 |
| **Total** | 169,878 | 168,048 | 1,822 |

**Note:** Resources include 1982 balances carried forward plus (or minus) adjustments plus revenues. Expenditures include transfers (plus or minus).

**Table A-6**

NUMBER OF DAYS OF OPERATIONS THAT COULD BE FINANCED FROM BALANCES

(balance at end of year related to expenditure during year)

| State | FY 1981 | FY 1982 | FY 1983 |
|---|---|---|---|
| Alabama | 4 | 3 | 0 |
| Alaska | 45 | -2 | 20 |
| Arizona | 23 | 7 | 2 |
| Arkansas | 0 | 0 | 0 |
| California | 8 | 1 | 5 |
| Colorado | 11 | 0 | 13 |
| Connecticut | -6 | -3 | 0 |
| Delaware | 19 | 14 | 16 |
| Florida | 34 | 20 | 9 |
| Georgia | 7 | 0 | 0 |
| Hawaii | 50 | 35 | 13 |
| Idaho | 1 | 4 | 0 |
| Illinois | 6 | 5 | 5 |
| Indiana | 3 | 7 | 2 |
| Iowa | 5 | 4 | 4 |
| Kansas | 28 | 26 | 25 |
| Kentucky | 1 | 0 | 0 |
| Louisiana | 41 | 11 | 0 |
| Maine | 11 | 8 | 13 |
| Maryland | 13 | 12 | 0 |
| Massachusetts | 2 | 1 | 3 |
| Michigan | 0 | 0 | 0 |
| Minnesota | -2 | -35 | 9 |
| Mississippi | 18 | 5 | 0 |
| Missouri | 9 | 13 | 16 |

| | | | |
|---|---|---|---|
| Montana | 58 | 26 | 22 |
| Nebraska | 21 | -7 | 14 |
| Nevada | 29 | 36 | 30 |
| New Hampshire | -28 | -27 | 1 |
| New Jersey | 15 | 6 | 1 |
| New Mexico | 47 | 39 | 17 |
| New York | 0 | 0 | 0 |
| North Carolina | 12 | 0 | 6 |
| North Dakota | 127 | 70 | 14 |
| Ohio | 0 | 0 | -41 |
| Oklahoma | 75 | 63 | 13 |
| Oregon | 1 | -10 | 4 |
| Pennsylvania | 3 | 0 | 0 |
| Rhode Island | 7 | 1 | 0 |
| South Carolina | 1 | 0 | 0 |
| South Dakota | 22 | 9 | 5 |
| Tennessee | 8 | 7 | 6 |
| Texas | 44 | 25 | 24 |
| Utah | 8 | 4 | 1 |
| Vermont | -1 | 0 | 0 |
| Virginia | 4 | 4 | -9 |
| Washington | 1 | -12 | 1 |
| West Virginia | 11 | 2 | 0 |
| Wisconsin | 2 | 3 | 1 |
| Wyoming | 74 | 47 | 60 |
| **Weighted Average** | 11 | 4 | 3 |

**Table A-7**

FY 1981 REVENUES, EXPENDITURES, AND SURPLUS OR DEFICIT

($ millions)

| State | Revenues | Expenditures | Surplus or Deficit (-) |
|---|---|---|---|
| Alabama | 1,717 | 1,703 | 14 |
| Alaska | 3,718 | 4,960 | -1,242 |
| Arizona | 1,332 | 1,459 | -127 |
| Arkansas | 1,008 | 1,003 | 5 |
| California | 19,023 | 21,105 | -2,082 |
| Colorado | 1,172 | 1,325 | -153 |
| Connecticut | 2,658 | 2,726 | -68 |
| Delaware | 642 | 660 | -18 |
| Florida | 4,316 | 4,369 | -53 |
| Georgia | 3,110 | 3,207 | -97 |
| Hawaii | 1,199 | 1,150 | 49 |
| Idaho | 401 | 393 | 8 |
| Illinois | 8,099 | 8,292 | -193 |
| Indiana | 1,963 | 2,176 | -213 |
| Iowa | 1,739 | 1,626 | 113 |
| Kansas | 1,226 | 1,259 | -33 |
| Kentucky | 1,895 | 1,942 | -47 |
| Louisiana | 3,443 | 3,370 | 73 |
| Maine | 579 | 584 | -5 |
| Maryland | 2,703 | 2,847 | -144 |
| Massachusetts | 5,793 | 5,930 | -137 |
| Michigan | 4,386 | 4,504 | -118 |
| Minnesota | 3,286 | 3,319 | -33 |
| Mississippi | 1,117 | 1,100 | 17 |
| Missouri | 1,894 | 2,060 | -166 |

| | | | |
|---|---|---|---|
| Montana | 283 | 265 | 18 |
| Nebraska | 712 | 665 | 47 |
| Nevada | 349 | 397 | -48 |
| New Hampshire | 239 | 279 | -40 |
| New Jersey | 5,063 | 5,147 | -84 |
| New Mexico | 1,080 | 1,028 | 52 |
| New York | 15,182 | 15,165 | 17 |
| North Carolina | 3,024 | 3,154 | -130 |
| North Dakota | 367 | 342 | 25 |
| Ohio | 5,310 | 5,672 | -362 |
| Oklahoma | 1,371 | 1,270 | 101 |
| Oregon | 1,362 | 1,503 | -141 |
| Pennsylvania | 6,710 | 6,802 | -92 |
| Rhode Island | 1,036 | 1,067 | -31 |
| South Carolina | 1,737 | 1,765 | -28 |
| South Dakota | 232 | 229 | 3 |
| Tennessee | 1,625 | 1,636 | -11 |
| Texas | 3,830 | 3,798 | 32 |
| Utah | 800 | 784 | 16 |
| Vermont | 246 | 248 | -2 |
| Virginia | 2,582 | 2,816 | -234 |
| Washington | 2,864 | 2,984 | -120 |
| West Virginia | 1,080 | 1,129 | -49 |
| Wisconsin | 3,295 | 3,447 | -152 |
| Wyoming | 270 | 316 | -46 |
| **Total** | 139,068 | 144,977 | -5,909 |

**Note:** Revenues and expenditures in this table are those collected and expended in 1981 and do not reflect carryover balances or adjustments.

**Table A-8**

FY 1982 REVENUES, EXPENDITURES, AND SURPLUS OR DEFICIT

($ millions)

| State | Revenues | Expenditures | Surplus or Deficit (-) |
|---|---|---|---|
| Alabama | 1,749 | 1,754 | -5 |
| Alaska | 4,336 | 5,259 | -923 |
| Arizona | 1,513 | 1,639 | -126 |
| Arkansas | 1,089 | 1,086 | 3 |
| California | 21,481 | 22,039 | -558 |
| Colorado | 1,398 | 1,444 | -46 |
| Connecticut | 2,990 | 2,956 | 34 |
| Delaware | 651 | 666 | -15 |
| Florida | 4,638 | 4,858 | -220 |
| Georgia | 3,431 | 3,522 | -91 |
| Hawaii | 1,165 | 1,225 | -60 |
| Idaho | 429 | 422 | 7 |
| Illinois | 8,284 | 8,331 | -47 |
| Indiana | 2,209 | 2,205 | 4 |
| Iowa | 1,899 | 1,772 | 127 |
| Kansas | 1,334 | 1,346 | -12 |
| Kentucky | 2,036 | 2,087 | -51 |
| Louisiana | 3,970 | 4,047 | -77 |
| Maine | 621 | 632 | -11 |
| Maryland | 2,924 | 2,929 | -5 |
| Massachusetts | 6,305 | 6,421 | -116 |
| Michigan | 4,568 | 4,568 | 0 |
| Minnesota | 3,770 | 4,223 | -453 |
| Mississippi | 1,184 | 1,236 | -52 |
| Missouri | 2,094 | 2,063 | 31 |

| | | | |
|---|---|---|---|
| Montana | 306 | 332 | -26 |
| Nebraska | 742 | 733 | 9 |
| Nevada | 382 | 378 | 4 |
| New Hampshire | 292 | 292 | 0 |
| New Jersey | 5,561 | 5,743 | -182 |
| New Mexico | 1,115 | 1,130 | -15 |
| New York | 16,757 | 16,741 | 16 |
| North Carolina | 3,280 | 3,435 | -155 |
| North Dakota | 371 | 416 | -45 |
| Ohio | 5,987 | 5,998 | -11 |
| Oklahoma | 1,627 | 1,604 | 23 |
| Oregon | 1,430 | 1,497 | -67 |
| Pennsylvania | 7,053 | 7,157 | -104 |
| Rhode Island | 1,097 | 1,141 | -44 |
| South Carolina | 1,914 | 1,918 | -4 |
| South Dakota | 264 | 276 | -12 |
| Tennessee | 1,736 | 1,750 | -14 |
| Texas | 4,427 | 5,178 | -751 |
| Utah | 885 | 880 | 5 |
| Vermont | 274 | 277 | -3 |
| Virginia | 2,824 | 2,902 | -78 |
| Washington | 3,251 | 3,421 | -170 |
| West Virginia | 1,278 | 1,317 | -39 |
| Wisconsin | 3,482 | 3,493 | -11 |
| Wyoming | 346 | 371 | -25 |
| **Total** | 152,749 | 157,110 | -4,361 |

**Note:** Revenues and expenditures in this table are those expected to be collected and expended in 1981 and do not reflect carryover balances or adjustments.

**Table A-9**

FY 1983 REVENUES, EXPENDITURES, AND SURPLUS OR DEFICIT

($ millions)

| State | Revenues | Expenditures | Surplus or Deficit (-) |
|---|---|---|---|
| Alabama | 1,883 | 1,894 | -11 |
| Alaska | 4,134 | 3,799 | 335 |
| Arizona | 1,652 | 1,712 | -60 |
| Arkansas | 1,198 | 1,195 | 3 |
| California | 23,580 | 23,203 | 377 |
| Colorado | 1,714 | 1,630 | 84 |
| Connecticut | 3,206 | 3,172 | 34 |
| Delaware | 714 | 705 | 9 |
| Florida | 5,119 | 5,308 | -189 |
| Georgia | 3,732 | 3,732 | 0 |
| Hawaii | 1,269 | 1,370 | -101 |
| Idaho | 467 | 477 | -10 |
| Illinois | 8,814 | 8,784 | 30 |
| Indiana | 2,261 | 2,323 | -62 |
| Iowa | 2,075 | 1,918 | 157 |
| Kansas | 1,488 | 1,404 | 84 |
| Kentucky | 2,286 | 2,290 | -4 |
| Louisiana | 4,229 | 4,152 | 77 |
| Maine | 693 | 677 | 16 |
| Maryland | 3,097 | 3,242 | -145 |
| Massachusetts | 6,759 | 6,821 | -62 |
| Michigan | 5,219 | 5,219 | 0 |
| Minnesota | 4,428 | 3,617 | 811 |
| Mississippi | 1,290 | 1,315 | -25 |
| Missouri | 2,338 | 2,299 | 39 |

| | | | |
|---|---|---|---|
| Montana | 333 | 338 | -5 |
| Nebraska | 864 | 732 | 132 |
| Nevada | 417 | 422 | -5 |
| New Hampshire | 314 | 283 | 31 |
| New Jersey | 6,273 | 6,373 | -100 |
| New Mexico | 1,231 | 1,317 | -86 |
| New York | 17,850 | 17,850 | 0 |
| North Carolina | 3,603 | 3,515 | 88 |
| North Dakota | 380 | 469 | -89 |
| Ohio | 6,332 | 7,555 | -1,223 |
| Oklahoma | 1,687 | 1,992 | -305 |
| Oregon | 1,705 | 1,621 | 84 |
| Pennsylvania | 7,566 | 7,568 | -2 |
| Rhode Island | 1,145 | 1,149 | -4 |
| South Carolina | 2,087 | 2,082 | 5 |
| South Dakota | 279 | 284 | -5 |
| Tennessee | 1,894 | 1,882 | 12 |
| Texas | 4,944 | 5,243 | -299 |
| Utah | 988 | 999 | -11 |
| Vermont | 309 | 309 | 0 |
| Virginia | 3,145 | 3,318 | -173 |
| Washington | 3,867 | 3,685 | 182 |
| West Virginia | 1,336 | 1,345 | -9 |
| Wisconsin | 4,127 | 4,151 | -24 |
| Wyoming | 396 | 376 | 20 |
| **Total** | 166,717 | 167,116 | -399 |

**Note:** Revenues and expenditures in this table are those expected to be collected and expended in 1981 and do not reflect carryover balances or adjustments.

Table A-10

ANALYSIS OF EXPENDITURE INCREASES IN REAL TERMS

(using 8.5 percent for 81-82 and 5 percent for 82-83 deflators)
($ millions)

| State | FY 1981-82 | FY 1982-83 | FY 1981-83 |
|---|---|---|---|
| Alabama | -94 | 52 | -46 |
| Alaska | -123 | -1,723 | -1,852 |
| Arizona | 56 | -9 | 50 |
| Arkansas | -2 | 55 | 52 |
| California | -860 | 62 | -841 |
| Colorado | 6 | 114 | 120 |
| Connecticut | -2 | 68 | 66 |
| Delaware | -50 | 6 | -47 |
| Florida | 118 | 207 | 331 |
| Georgia | 42 | 34 | 78 |
| Hawaii | -23 | 84 | 60 |
| Idaho | -4 | 34 | 29 |
| Illinois | -666 | 36 | -663 |
| Indiana | -156 | 8 | -156 |
| Iowa | 8 | 57 | 66 |
| Kansas | -20 | -9 | -30 |
| Kentucky | -20 | 99 | 78 |
| Louisiana | 391 | -97 | 313 |
| Maine | -2 | 13 | 12 |
| Maryland | -160 | 167 | -1 |
| Massachusetts | -13 | 79 | 65 |
| Michigan | -319 | 423 | 88 |
| Minnesota | 622 | -817 | -164 |
| Mississippi | 43 | 17 | 62 |
| Missouri | -172 | 133 | -48 |

| | | | |
|---|---|---|---|
| Montana | 44 | -11 | 36 |
| Nebraska | 11 | -38 | -26 |
| Nevada | -53 | 25 | -30 |
| New Hampshire | -11 | -24 | -35 |
| New Jersey | 159 | 343 | 509 |
| New Mexico | 15 | 131 | 146 |
| New York | 287 | 272 | 573 |
| North Carolina | 13 | -92 | -78 |
| North Dakota | 45 | 32 | 79 |
| Ohio | -156 | 1,257 | 1,093 |
| Oklahoma | 226 | 308 | 545 |
| Oregon | -134 | 49 | -91 |
| Pennsylvania | -223 | 53 | -181 |
| Rhode Island | -17 | -49 | -67 |
| South Carolina | 3 | 68 | 71 |
| South Dakota | 28 | -6 | 23 |
| Tennessee | -25 | 45 | 18 |
| Texas | 1,057 | -194 | 916 |
| Utah | 29 | 75 | 106 |
| Vermont | 8 | 18 | 26 |
| Virginia | -153 | 271 | 110 |
| Washington | 183 | 93 | 285 |
| West Virginia | 92 | -38 | 59 |
| Wisconsin | -247 | 483 | 224 |
| Wyoming | 28 | -14 | 16 |
| **Total** | -190 | 2,151 | 1,951 |

Table A-11

ANALYSIS OF EXPENDITURE INCREASES IN REAL TERMS

(using 8.5 percent for 81-82 and 5 percent for 82-83 deflators)
(percent change)

| State | FY 1981-82 | FY 1982-83 | FY 1981-83 |
|---|---|---|---|
| Alabama | -6 | 3 | -3 |
| Alaska | -2 | -33 | -37 |
| Arizona | 4 | -1 | 3 |
| Arkansas | 0 | 5 | 5 |
| California | -4 | 0 | -4 |
| Colorado | 0 | 8 | 9 |
| Connecticut | 0 | 2 | 2 |
| Delaware | -8 | 1 | -7 |
| Florida | 3 | 4 | 8 |
| Georgia | 1 | 1 | 2 |
| Hawaii | -2 | 7 | 5 |
| Idaho | -1 | 8 | 7 |
| Illinois | -8 | 0 | -8 |
| Indiana | -7 | 0 | -7 |
| Iowa | 0 | 3 | 4 |
| Kansas | -2 | -1 | -2 |
| Kentucky | -1 | 5 | 4 |
| Louisiana | 12 | -2 | 9 |
| Maine | 0 | 2 | 2 |
| Maryland | -6 | 6 | 0 |
| Massachusetts | 0 | 1 | 1 |
| Michigan | -7 | 9 | 2 |
| Minnesota | 19 | -19 | -5 |
| Mississippi | 4 | 1 | 6 |
| Missouri | -8 | 6 | -2 |

| | | | |
|---|---|---|---|
| Montana | 17 | -3 | 14 |
| Nebraska | 2 | -5 | -4 |
| Nevada | -13 | 7 | -8 |
| New Hampshire | -4 | -8 | -12 |
| New Jersey | 3 | 6 | 10 |
| New Mexico | 1 | 12 | 14 |
| New York | 2 | 2 | 4 |
| North Carolina | 0 | -3 | -2 |
| North Dakota | 13 | 8 | 23 |
| Ohio | -3 | 21 | 19 |
| Oklahoma | 18 | 19 | 43 |
| Oregon | -9 | 3 | -6 |
| Pennsylvania | -3 | 1 | -3 |
| Rhode Island | -2 | -4 | -6 |
| South Carolina | 0 | 4 | 4 |
| South Dakota | 12 | -2 | 10 |
| Tennessee | -2 | 3 | 1 |
| Texas | 28 | -4 | 24 |
| Utah | 4 | 9 | 13 |
| Vermont | 3 | 7 | 11 |
| Virginia | -5 | 9 | 4 |
| Washington | 6 | 3 | 10 |
| West Virginia | 8 | -3 | 5 |
| Wisconsin | -7 | 14 | 6 |
| Wyoming | 9 | -4 | 5 |
| **Weighted Average** | 0 | 1 | 1 |

A7955-1.2

# FISCAL SURVEY OF THE STATES
## DECEMBER 1982 UPDATE

National Governors' Association
Office of Research and Development
National Association of State Budget Officers
Washington, D.C.

## FISCAL SURVEY OF THE STATES: A DECEMBER 1982 UPDATE

The recession and other factors have caused state fiscal conditions to deteriorate badly through 1982:

— Barring further spending reductions, increased taxes or a greatly improved economy, the aggregate budget deficit in 41 states at the end of FY 1983 could total nearly $2 billion. Nine states project large deficits, with some of the nation's largest states now expecting the greatest deficits.

— Estimates of both state revenues and expenditures have dropped below what state budget officers expected in the spring. The revenue drop for FY 1983 totals nearly $8 billion in the 41 reporting states. These states now report FY 1983 spending of some $4.6 billion less than estimated in the spring.

— The recession has affected both the Frostbelt and Sunbelt with states like California and Maryland, Oklahoma and North Dakota showing big drops in ending balances from FY 1982 to 1983.

— Only seven states did not impose either across-the-board or selective spending cuts for FY 1982 or 1983. Of these, three states have adopted other austerity measures.

— Twenty-two reported they adopted a permanent or temporary revenue-raising measure in FY 1982 or 1983.

— Personnel continues to be a popular austerity target in the states with 33 reporting hiring limitations in FY 1982 or 1983. Eighteen states laid off employees and eight initiated furloughs.

### BACKGROUND

This report is an update of the 1981-1982 Fiscal Survey published last summer by the National Governors' Association and the National Association of State Budget Officers. It is based on a survey of state budget officers conducted in November and December of

1982 and provides information on current revenue, expenditure and balances in 41 states and various austerity measures in 39 states.

Of particular interest in this survey is the quantification of the recession's severe impact on state revenues and expenditures.

For most of the reporting states, FY 1982 ended on June 30, 1982. Thus, when the state budget officers responded to the summer fiscal survey they already had information on actual revenues and expenditures for at least half the fiscal year. Notwithstanding this, actual revenues dropped $3.2 billion or 2.4 percent below the spring estimates in the 41 reporting states. Expenditures dropped by a comparable amount in FY 1982, when compared to the spring estimates.

For FY 1983, state revenues (41 states) are expected to be $137 billion, a drop of $7.9 billion from the amounts expected in the spring. Expenditures currently are estimated to be $4.6 billion less than estimated in the spring. The revenue estimates indicate that the state officials surveyed are expecting an increase in revenues of only 7.1 percent from FY 1982 to FY 1983. This increase would be well below the experience of the states in the past ten years.

Many states have had to lower revenue and spending estimates for FY 1983 – some significantly. Idaho, Kansas, Michigan, Nevada and North Dakota expect 1983 revenues to fall more than 10 percent below what they expected only six months ago. Further reductions in estimates may occur in some states in the 1983 governors' budget messages.

The states are currently anticipating an aggregate negative balance in FY 1983 of nearly $2 billion – a dramatic change from FY 1981 and 1982 balances of $4.8 billion and $2.4 billion. Since by tradition or law states cannot end the year with budget deficits, fiscal remedies will be considered in many states over the next few months. Half a dozen state legislatures were in session late in 1982, many to deal with fiscal problems. Other legislatures will be meeting in January to receive the budget messages of the governors, many of which will likely include measures to bring revenues and expenditures into line in

ERRATUM
In the third full paragraph, the growth in revenue from 82 to 83 is 6.3 percent rather 7.1 percent.

FY 1983 as well as to solve anticipated problems in FY 1984. These measures will, in many cases, probably include both increases in taxes and reductions in expenditures.

The causes of the serious fiscal conditions in the states include:

- o The recession, which has cut revenues while leading to pressure for more spending;
- o Lower inflation than anticipated, which has affected revenues (e.g., sales taxes) more than spending; and,
- o Reductions in federal aid.

Of these, the recession is the single most important factor.

The survey deals with state "general funds" – those that finance most state government activity. It does not generally include federal funds or "special funds" earmarked for particular restricted purposes. Two state special funds currently face particular difficulty. The growth in unemployment has placed major demands on unemployment compensation funds at the same time that the recession has depressed revenues to such funds from payroll taxes. The recession and improved vehicle fuel efficiency have depressed gas tax revenues at a time when many state highways and roads are in serious need of traditional maintenance and repair.

## CURRENT FISCAL INFORMATION

The table on page 4 provides aggregate information on the 41 states responding to the survey. It shows that the states have revised downward their revenues and expenditures for both FY 1982 and FY 1983. These revisions cause balances to be lower, especially in FY 1983, than what the same states reported in the spring of 1982. These revisions are particularly surprising as in the past the direction of revisions based on later data is for revenues to increase above estimates and expenditures to decrease from estimates.

**SUMMARY TABLE (41 STATES)**
**($ MILLIONS)**

| Category | FY 1982 Estimates | | FY 1983 Estimates | | Differences | |
|---|---|---|---|---|---|---|
| | Spring 1982 | Fall 1982 | Spring 1982 | Fall 1982 | 1982 | 1983 |
| Beginning Balance | 4,362 | 4,776 | 1,635 | 2,349 | 414 | 714 |
| Revenues | 132,306 | 129,072 | 145,102 | 137,160 | -3,234 | -7,942 |
| Adjustments | 485 | 892 | 149 | 658 | 407 | 509 |
| Expenditures | 134,582 | 131,083 | 145,242 | 140,632 | -3,499 | -4,610 |
| Transfers | 964 | 1,445 | 849 | 1,552 | 481 | 703 |
| Ending Balance* | 1,612 | 2,354 | 784 | -1,966 | 742 | -2,750 |

*While most states account so that beginning balance plus revenues plus adjustments minus expenditures minus transfers equals the ending balance, some do not. These differing state practices produce ending balances which vary slightly from the total resources minus expenditures and transfers.

Table 1 shows ending balances by state. The total balances for the reporting state governments drop from $4.8 billion at the end of FY 1981 to over $2 billion at the end of FY 1982 and -$2 billion at the end of FY 1983. New York, California, Wisconsin, and Pennsylvania show major budget problems in FY 1983.

A positive balance in FY 1983 should not be interpreted as indicating fiscal health in those states where it appears. Year-end balances are important to states which comply with legal constraints against incurring deficits yet cover cash flow needs and emergencies. These balances help states stabilize their program and service levels during fluctuations in the economy. Substantial balances are often required for cash flow reasons alone.

Table 2 shows the relationship between balances and spending in the prior year. Excepting Wyoming and Montana, which have been benefiting from taxes on natural resources, estimated balances are well below 10 percent of expenditures and in many cases are negative. Twenty-nine states showed percentages lower than in 1982. Most of these reductions were significant and were evident in both Sunbelt and Frostbelt states.

Table 3 provides state-by-state information on resources, expenditures, and balances. In state budgeting, the resources available to finance a fiscal year are defined as the balance from the preceding year plus the revenues for the year plus adjustments made to revenues (e.g., transfers to special funds, refunds of taxes). Expenditures include certain transfers in some states. This table shows that most states are holding down spending as well as lowering revenue expectations. Expenditures increased only 7.3 percent between 1982 and 1983 – an increase far below that of previous years.

Even as bleak as these totals are, the fiscal situation in the states may be worse than portrayed here. Several states, including Ohio, have not recently updated their estimates, and since revenues across the country were lower than expected in the fall, these early estimates will no doubt prove optimistic. Ohio and other states expect to publish revised figures later in January.

## AUSTERITY MEASURES

To cope with their deteriorating fiscal conditions, many states have adopted various austerity measures. The table below shows the frequency of adoption of these measures by 39 states. These are basically the same states that provided data on fiscal conditions, although a few states provided information in response to this part of the survey and not the other and a few did the reverse.

**SUMMARY TABLE (39 STATES)**
**STATES ADOPTING VARIOUS AUSTERITY MEASURES**

| Measure | FY 1982 | FY 1983 |
|---|---|---|
| Across the Board Cuts | 15 | 18 |
| Selective Program Cuts | 22 | 25 |
| Permanent Revenue Increases | 8 | 9 |
| Temporary Revenue Raising Measures | 14 | 15 |
| Capital Financing to Bonds | 3 | 4 |
| Move General Funds To | | |
| Special Funds | 7 | 12 |
| Other Government Entities | 1 | 2 |
| Unpaid Employee Furloughs | 5 | 6 |
| Hiring Limits | 27 | 30 |
| Layoffs | 12 | 15 |
| Restricted Travel | | |
| Out of State | 15 | 20 |
| In State | 11 | 13 |

In fiscal 1982, over half the reporting states adopted hiring limitations and made selective budget cuts. Fifteen made across-the-board budget cuts in 1982 and 18 in 1983. Layoffs took place in 12 of the reporting states in FY 1982 and 15 in 1983. Twenty-two states of the 39 reporting adopted permanent or temporary revenue raising measures in FY 1982 or 1983.

The summary table and state-by-state information on Tables 4 and 5 will understate the austerity measures in certain states in at least two ways. First, the tables show only measures that have actually been taken. In many states, governors have recommended or will recommend in January additional austerity measures to balance their FY 1983 budgets. As a result, the table should be considered an understatement of what will actually take place before FY 1983 is over. Second, in some states, some or all department directors have been asked to reduce their budgets in ways that may be extremely severe, such as layoffs. However, since these measures are not statewide, they are not covered in this survey.

This survey was conducted because governors and state budget officers wanted information on actions being taken in other states. This provides every incentive for accurate reporting, but it should be remembered that the terms used in the questionnaire are imprecise. In some states, for example, layoffs may refer to a major reduction in the state-funded workforce, but in others an affirmative response may simply mean that some federally funded workers lost their jobs when federal funding was reduced. However, some of the measures – particularly revenue increases and across-the-board cuts – are sure signs of considerable fiscal stress.

In publishing this list of state actions, the participating organizations are not endorsing any particular measure as desirable state policy. For example, new restrictions on out of state travel may appear appropriate in some states with heavy travel, but inappropriate in states which already have major restrictions or in some situations (e.g.,

restricting travel of corporation income tax auditors) where restrictions can reduce rather than increase revenues.

## METHODOLOGY AND DETAILED DATA

A questionnaire was sent to all state budget officers in late October. Responses were received in November and December and a preliminary report published in the Governors' Bulletin prior to the completion of data for all responding states. A few of the responding states did not provide information for FY 1983. This is not unexpected as in some states the budget officers do not consider their past published information to be accurate, but do not want to introduce new information until their budget is released in January. States that did not provide FY 1983 data are excluded from the resources, expenditure and budget tables. Because of changes in fund accounting structures, current estimates for Texas could not be used in combination with earlier estimates.

The traditional fiscal survey is based upon certain accounting identities defined in detail in the volume Fiscal Survey of the States: 1981-1982. In a few states, these accounting identities were not followed completely in this report. The differences reflect circumstances unique to each state, and the effects on the overall results are negligible. It should also be noted that some states with biennial budgets may have deficits in the first year that are balanced by surplus revenues in the second year of their budget period.

The data provided by each state are displayed in Tables 6 and 7.

**TABLE I**
**ENDING BALANCES BY STATE**
**($ MILLION)**

| State | FY 1981* | FY 1982 | FY 1983 |
|---|---|---|---|
| Alabama | 28 | 24 | 0 |
| Arkansas | 0 | 0 | 0 |
| California | 731 | 105 | -1,651 |
| Colorado | 57 | 15 | -28 |
| Connecticut | -66 | -40 | 2 |
| Delaware | 51 | 51 | 51 |
| Florida | 601 | 259 | 0 |
| Georgia | 87 | 0 | 0 |
| Hawaii | 232 | 210 | 52 |
| Idaho | 2 | 0 | 3 |
| Illinois | 197 | 187 | 190 |
| Iowa | 31 | 22 | 10 |
| Kansas | 140 | 80 | 0 |
| Kentucky | 10 | 42 | 46 |
| Louisiana** | 556 | 246 | 21 |
| Maine | 25 | 19 | 16 |
| Maryland | 150 | 156 | 0 |
| Massachusetts | 21 | 4 | 8 |
| Michigan | 0 | 0 | 0 |
| Minnesota | -2 | -652 | 49 |
| Mississippi | 77 | 40 | 21 |
| Missouri | 74 | 105 | 63 |
| Montana | 61 | 34 | 34 |
| Nevada | 44 | 45 | 28 |
| New Hampshire | -31 | -32 | -21 |
| New Jersey | 305 | 132 | -77 |
| New York | 57 | 60 | -530 |
| North Carolina | 155 | 108 | 0 |
| North Dakota | 174 | 116 | 10 |
| Ohio** | 11 | 50 | 0 |
| Oklahoma | 382 | 393 | 79 |
| Oregon | 8 | -139 | 8 |
| Pennsylvania | 70 | 8 | -164 |
| South Carolina | 80 | 25 | 31 |
| South Dakota | 20 | 19 | 6 |
| Utah | 24 | 30 | 8 |
| Vermont | -1 | 0 | -3 |
| Virginia | 300 | 198 | -83 |
| Washington | 6 | 250 | 9 |
| Wisconsin | 14 | 27 | -266 |
| Wyoming | 95 | 157 | 112 |
| TOTAL | 4,776 | 2,354 | -1,966 |

* Beginning balance FY 1982 used as proxy measure.

** Ohio figures on these and subsequent tables reflect September 30, 1982, estimates. Louisiana's figures on these and subsequent tables are unaudited.

Table A-12

ANALYSIS OF EXPENDITURE INCREASES IN NOMINAL TERMS

($ millions)

| State | FY 1981-82 | FY 1982-83 | FY 1981-83 |
|---|---|---|---|
| Alabama | 51 | 140 | 191 |
| Alaska | 299 | -1,460 | -1,161 |
| Arizona | 180 | 73 | 253 |
| Arkansas | 83 | 109 | 192 |
| California | 934 | 1,164 | 2,098 |
| Colorado | 119 | 186 | 305 |
| Connecticut | 230 | 216 | 446 |
| Delaware | 6 | 39 | 45 |
| Florida | 489 | 450 | 939 |
| Georgia | 315 | 210 | 525 |
| Hawaii | 75 | 145 | 220 |
| Idaho | 29 | 55 | 84 |
| Illinois | 39 | 453 | 492 |
| Indiana | 29 | 118 | 147 |
| Iowa | 146 | 146 | 292 |
| Kansas | 87 | 58 | 145 |
| Kentucky | 145 | 203 | 348 |
| Louisiana | 677 | 105 | 782 |
| Maine | 48 | 45 | 93 |
| Maryland | 82 | 313 | 395 |
| Massachusetts | 491 | 400 | 891 |
| Michigan | 64 | 651 | 715 |
| Minnesota | 904 | -606 | 298 |
| Mississippi | 136 | 79 | 215 |
| Missouri | 3 | 236 | 239 |

| | | | |
|---|---|---|---|
| Montana | 67 | 6 | 73 |
| Nebraska | 68 | -1 | 67 |
| Nevada | -19 | 44 | 25 |
| New Hampshire | 13 | -9 | 4 |
| New Jersey | 596 | 630 | 1,226 |
| New Mexico | 102 | 187 | 289 |
| New York | 1,576 | 1,109 | 2,685 |
| North Carolina | 281 | 80 | 361 |
| North Dakota | 74 | 53 | 127 |
| Ohio | 326 | 1,557 | 1,883 |
| Oklahoma | 334 | 388 | 722 |
| Oregon | -6 | 124 | 118 |
| Pennsylvania | 355 | 411 | 766 |
| Rhode Island | 74 | 8 | 82 |
| South Carolina | 153 | 164 | 317 |
| South Dakota | 47 | 8 | 55 |
| Tennessee | 114 | 132 | 246 |
| Texas | 1,380 | 65 | 1,445 |
| Utah | 96 | 119 | 215 |
| Vermont | 29 | 32 | 61 |
| Virginia | 86 | 416 | 502 |
| Washington | 437 | 264 | 701 |
| West Virginia | 188 | 28 | 216 |
| Wisconsin | 46 | 658 | 704 |
| Wyoming | 55 | 5 | 60 |
| **Total** | 12,133 | 10,006 | 22,139 |

Table A-13

ANALYSIS OF EXPENDITURE INCREASES IN NOMINAL TERMS

(percent change)

| State | FY 1981-82 | FY 1982-83 | FY 1981-83 |
|---|---|---|---|
| Alabama | 3 | 8 | 11 |
| Alaska | 6 | -28 | -23 |
| Arizona | 12 | 4 | 17 |
| Arkansas | 8 | 10 | 19 |
| California | 4 | 5 | 10 |
| Colorado | 9 | 13 | 23 |
| Connecticut | 8 | 7 | 16 |
| Delaware | 1 | 6 | 7 |
| Florida | 11 | 9 | 21 |
| Georgia | 10 | 6 | 16 |
| Hawaii | 7 | 12 | 19 |
| Idaho | 7 | 13 | 21 |
| Illinois | 0 | 5 | 6 |
| Indiana | 1 | 5 | 7 |
| Iowa | 9 | 8 | 18 |
| Kansas | 7 | 4 | 12 |
| Kentucky | 7 | 10 | 18 |
| Louisiana | 20 | 3 | 23 |
| Maine | 8 | 7 | 16 |
| Maryland | 3 | 11 | 14 |
| Massachusetts | 8 | 6 | 15 |
| Michigan | 1 | 14 | 16 |
| Minnesota | 27 | -14 | 9 |
| Mississippi | 12 | 6 | 20 |
| Missouri | 0 | 11 | 12 |

| | | | |
|---|---|---|---|
| Montana | 25 | 2 | 28 |
| Nebraska | 10 | 0 | 10 |
| Nevada | -5 | 12 | 6 |
| New Hampshire | 5 | -3 | 1 |
| New Jersey | 12 | 11 | 24 |
| New Mexico | 10 | 17 | 28 |
| New York | 10 | 7 | 18 |
| North Carolina | 9 | 2 | 11 |
| North Dakota | 22 | 13 | 37 |
| Ohio | 6 | 26 | 33 |
| Oklahoma | 26 | 24 | 57 |
| Oregon | 0 | 8 | 8 |
| Pennsylvania | 5 | 6 | 11 |
| Rhode Island | 7 | 1 | 8 |
| South Carolina | 9 | 9 | 18 |
| South Dakota | 21 | 3 | 24 |
| Tennessee | 7 | 8 | 15 |
| Texas | 36 | 1 | 38 |
| Utah | 12 | 14 | 27 |
| Vermont | 12 | 12 | 25 |
| Virginia | 3 | 14 | 18 |
| Washington | 15 | 8 | 23 |
| West Virginia | 17 | 2 | 19 |
| Wisconsin | 1 | 19 | 20 |
| Wyoming | 17 | 1 | 19 |
| **Weighted Average** | 8 | 6 | 15 |

**TABLE 2**
**ENDING BALANCE AS PERCENTAGE OF EXPENDITURES**
**(BALANCE AT END OF YEAR RELATED TO EXPENDITURE DURING YEAR)**

| State | FY 1982 | FY 1983 |
|---|---|---|
| Alabama | 1.3 | 0.0 |
| Arkansas | 0.0 | 0.0 |
| California | 0.5 | -7.4 |
| Colorado | 1.1 | -1.7 |
| Connecticut | -1.3 | 0.1 |
| Delaware | 7.9 | 7.5 |
| Florida | 5.4 | 0.0 |
| Georgia | 0.0 | 0.0 |
| Hawaii | 17.1 | 3.7 |
| Idaho | 0.0 | 0.7 |
| Illinois | 2.3 | 2.2 |
| Iowa | 1.2 | 0.5 |
| Kansas | 6.0 | 0.0 |
| Kentucky | 2.0 | 2.0 |
| Louisiana | 6.0 | 0.5 |
| Maine | 2.9 | 2.3 |
| Maryland | 5.3 | 0.0 |
| Massachusetts | 0.1 | 0.2 |
| Michigan | 0.0 | 0.0 |
| Minnesota | -15.5 | 1.4 |
| Mississippi | 3.3 | 1.6 |
| Missouri | 5.1 | 2.8 |
| Montana | 9.8 | 10.4 |
| Nevada | 11.7 | 7.0 |
| New Hampshire | -10.6 | -6.3 |
| New Jersey | 2.3 | -1.2 |
| New York | 0.4 | -3.2 |
| North Carolina | 3.3 | 0.0 |
| North Dakota | 27.9 | 2.3 |
| Ohio | 0.9 | 0.0 |
| Oklahoma | 24.5 | 3.9 |
| Oregon | -9.7 | 0.5 |
| Pennsylvania | 0.1 | -2.1 |
| South Carolina | 1.3 | 1.6 |
| South Dakota | 7.1 | 2.1 |
| Utah | 3.4 | 0.8 |
| Vermont | 0.0 | -0.9 |
| Virginia | 8.4 | -2.5 |
| Washington | 7.8 | 0.5 |
| Wisconsin | 0.8 | -6.5 |
| Wyoming | 52.0 | 26.9 |
| TOTAL | 1.8 | -1.4 |

## TABLE 3
## RESOURCES, EXPENDITURES, AND BALANCES*
## ($ MILLION)

| State | Fiscal Year 1982 | | | Fiscal Year 1983 | | |
|---|---|---|---|---|---|---|
| | Resources | Expenditure | Balance | Resources | Expenditure | Balance |
| Alabama | 1,799 | 1,775 | 24 | 1,839 | 1,839 | 0 |
| Arkansas | 1,083 | 1,083 | 0 | 1,143 | 1,143 | 0 |
| California | 20,641 | 20,536 | 105 | 20,157 | 21,808 | -1,651 |
| Colorado | 1,431 | 1,431 | 15 | 1,638 | 1,666 | -28 |
| Connecticut | 2,929 | 2,969 | -40 | 3,190 | 3,188 | 2 |
| Delaware | 696 | 645 | 51 | 728 | 677 | 51 |
| Florida | 5,069 | 4,810 | 259 | 5,147 | 5,147 | 0 |
| Georgia | 3,469 | 3,553 | 0 | 3,732 | 3,732 | 0 |
| Hawaii | 1,440 | 1,230 | 210 | 1,445 | 1,393 | 52 |
| Idaho | 409 | 409 | 0 | 445 | 442 | 3 |
| Illinois | 8,462 | 8,275 | 187 | 8,920 | 8,730 | 190 |
| Iowa | 1,785 | 1,763 | 22 | 1,879 | 1,869 | 10 |
| Kansas | 1,426 | 1,346 | 80 | 1,393 | 1,393 | 0 |
| Kentucky | 2,134 | 2,092 | 42 | 2,389 | 2,343 | 46 |
| Louisiana | 4,559 | 4,313 | 246 | 4,245 | 4,224 | 21 |
| Maine | 676 | 657 | 19 | 722 | 706 | 16 |
| Maryland | 3,075 | 2,919 | 156 | 3,235 | 3,234 | 0 |
| Massachusetts | 4,462 | 4,458 | 4 | 4,693 | 4,686 | 8 |
| Michigan | 4,488 | 4,488 | 0 | 4,593 | 4,593 | 0 |
| Minnesota | 3,911 | 4,562 | -652 | 3,791 | 3,751 | 49 |
| Mississippi | 1,265 | 1,225 | 40 | 1,330 | 1,309 | 21 |
| Missouri | 2,126 | 2,063 | 105 | 2,275 | 2,212 | 63 |
| Montana | 382 | 348 | 34 | 362 | 328 | 34 |
| Nevada | 429 | 384 | 45 | 428 | 400 | 28 |
| New Hampshire | 270 | 302 | -32 | 310 | 331 | -21 |
| New Jersey | 5,887 | 5,755 | 132 | 6,129 | 6,206 | -77 |
| New York | 16,199 | 16,139 | 60 | 17,139 | 17,669 | -530 |
| North Carolina | 3,384 | 3,276 | 108 | 3,623 | 3,623 | 0 |
| North Dakota | 549 | 434 | 116 | 446 | 436 | 10 |
| Ohio | 5,918 | 5,868 | 50 | 7,004 | 7,004 | 0 |
| Oklahoma | 1,997 | 1,604 | 393 | 2,081 | 2,002 | 79 |
| Oregon | 1,297 | 1,436 | -139 | 1,467 | 1,459 | 8 |
| Pennsylvania | 7,190 | 7,182 | 8 | 7,482 | 7,646 | -164 |
| South Carolina | 1,884 | 1,859 | 25 | 1,997 | 1,966 | 31 |
| South Dakota | 290 | 269 | 19 | 286 | 280 | 6 |
| Utah | 919 | 889 | 30 | 1,001 | 993 | 8 |
| Vermont | 272 | 274 | 0 | 326 | 329 | -3 |
| Virginia | 3,118 | 2,921 | 198 | 3,236 | 3,318 | -83 |
| Washington | 3,458 | 3,208 | 250 | 3,578 | 3,569 | 9 |
| Wisconsin | 3,503 | 3,476 | 27 | 3,815 | 4,124 | -266 |
| Wyoming | 459 | 302 | 157 | 528 | 416 | 112 |
| TOTAL | 134,740 | 132,528 | 2,354 | 140,167 | 142,184 | -1,966 |

NOTE: Resources include revenue, balance, and adjustments; expenditures include transfers.

* While most states account so that beginning balance plus revenue plus adjustments minus expenditures minus transfers equals the ending balance, some do not.

**TABLE 4**
**AUSTERITY MEASURES BY STATE**
**NON-PERSONNEL**

| State | Expenditure Cuts | | Revenue Inc. | | Capital | General Fund to: | |
|---|---|---|---|---|---|---|---|
| | General | Selected | Permanent | Temporary | To Bond | Specific | Others |
| Alabama | X | X | | X | | | |
| Arkansas | X | X | | | | | |
| California | X | X | | X | X | X | X |
| Colorado | X | X | | | | | |
| Connecticut | X | X | X | X | | | |
| Delaware | | X | | | | | |
| Florida | X | X | X | X | | X | |
| Georgia | X | X | | | | | |
| Hawaii | | | | | | | |
| Idaho | X | X | | | | X | |
| Illinois | X | X | | X | | | |
| Iowa | | X | | X | | | |
| Kansas | X | X | | | | X | |
| Kentucky | X | X | X | | | X | |
| Louisiana | X | X | | | | X | X |
| Maine | | X | | | | | |
| Massachusetts | X | X | X | | | | |
| Michigan | | X | X | X | X | X | |
| Mississippi | X | X | | X | | | |
| Missouri | | X | X | X | X | | |
| Montana | | | | | | | |
| Nevada | X | X | | | | X | |
| New Hampshire | X | X | X | X | | | |
| New Jersey | | | X | X | | | |
| New Mexico | | | | | X | X | |
| New York | | X | | X | | X | |
| North Carolina | | X | | | | | |
| North Dakota | X | X | | | | | |
| Ohio | X | X | X | X | | X | |
| Oklahoma | X | | | | | | |
| Oregon | | X | | X | | X | |
| Pennsylvania | X | X | X | X | | X | |
| Rhode Island | X | X | X | X | X | X | |
| South Dakota | | | | X | | | |
| Texas | | | | | | | |
| Utah | X | | X | X | | | |
| Virginia | | X | X | | | | |
| Washington | X | X | X | X | | | |
| Wyoming | | | | | | | |
| | 23 | 30 | 14 | 19 | 5 | 14 | 2 |

NOTE: X appears if measure used in either FY 1982 or FY 1983

**TABLE 5**
**AUSTERITY MEASURES BY STATE**
**PERSONNEL**

| State | Furloughs | Limits | Layoff | Travel Restrictions Out | Travel Restrictions In |
|---|---|---|---|---|---|
| Alabama | X | X | | X | X |
| Arkansas | | X | | X | X |
| California | | X | X | X | X |
| Colorado | | X | | X | X |
| Connecticut | | X | | X | X |
| Delaware | | X | | | |
| Florida | | X | X | X | X |
| Georgia | X | X | | | |
| Hawaii | | | | | |
| Idaho | X | X | X | X | X |
| Illinois | X | X | X | | |
| Iowa | | X | | X | |
| Kansas | | X | | | |
| Kentucky | | X | | X | X |
| Louisiana | | X | X | X | X |
| Maine | | X | | | |
| Massachusetts | | X | X | X | |
| Michigan | X | X | X | X | |
| Mississippi | | | | | |
| Missouri | | X | | | |
| Montana | X | X | X | | |
| Nevada | | X | X | X | X |
| New Hampshire | | X | X | | |
| New Jersey | | X | X | X | |
| New Mexico | | X | X | X | |
| New York | | X | X | X | X |
| North Carolina | | X | | | |
| North Dakota | | X | | X | |
| Ohio | | X | X | X | X |
| Oklahoma | | X | | X | X |
| Oregon | X | X | | | |
| Pennsylvania | | X | X | | |
| Rhode Island | | X | X | X | |
| South Dakota | | | | | |
| Texas | | | | | |
| Utah | | | | | |
| Virginia | | X | X | | |
| Washington | X | X | X | X | X |
| Wyoming | | | | | |
| | 8 | 33 | 18 | 21 | 14 |

NOTE: X indicates state adopted policy in either FY 1982 or FY 1983

**TABLE 6**
**DATA PROVIDED BY STATE BUDGET OFFICES, FY 1982 REVISED***
**($ MILLIONS)**

| State | Beginning Balance | Revenue | Adjustment | Expenditure | Transfers | Ending Balance |
|---|---|---|---|---|---|---|
| Alabama | 28 | 1,771 | 0 | 1,778 | -3 | 24 |
| Arkansas | 0 | 1,083 | 0 | 1,080 | 3 | 0 |
| California | 731 | 19,910 | 0 | 21,721 | -1,185 | 105 |
| Colorado | 57 | 1,374 | 0 | 1,421 | 10 | 15 |
| Connecticut | -66 | 2,994 | 1 | 2,969 | 0 | -40 |
| Delaware | 51 | 645 | 0 | 645 | 0 | 51 |
| Florida | 601 | 4,468 | 0 | 4,810 | 0 | 259 |
| Georgia | 87 | 3,378 | 4 | 3,511 | 42 | 0 |
| Hawaii | 232 | 1,185 | 23 | 1,230 | 0 | 210 |
| Idaho | 2 | 400 | 7 | 409 | 0 | 0 |
| Illinois | 197 | 8,265 | 0 | 8,275 | 0 | 187 |
| Iowa | 31 | 1,754 | 0 | 1,763 | 0 | 22 |
| Kansas | 140 | 1,273 | 13 | 1,334 | 12 | 80 |
| Kentucky | 10 | 2,099 | 25 | 2,092 | 0 | 42 |
| Louisiana | 556 | 4,003 | 0 | 4,070 | 243 | 246 |
| Maine | 25 | 640 | 11 | 654 | 3 | 19 |
| Maryland | 150 | 2,925 | 0 | 2,919 | 0 | 156 |
| Massachusetts | 21 | 4,344 | 97 | 4,252 | 206 | 4 |
| Michigan | 0 | 4,193 | 295 | 4,488 | 0 | 0 |
| Minnesota | -2 | 3,674 | 239 | 4,198 | 364 | -652 |
| Mississippi | 77 | 1,188 | 0 | 1,225 | 0 | 40 |
| Missouri | 74 | 2,052 | 0 | 2,063 | 0 | 105 |
| Montana | 61 | 320 | 1 | 348 | 0 | 34 |
| Nevada | 44 | 367 | 18 | 384 | 0 | 45 |
| New Hampshire | -31 | 301 | 0 | 302 | 0 | -32 |
| New Jersey | 305 | 5,556 | 26 | 5,755 | 0 | 132 |
| New York | 57 | 15,872 | 270 | 14,976 | 1,163 | 60 |
| North Carolina | 155 | 3,229 | 0 | 3,276 | 0 | 108 |
| North Dakota | 174 | 371 | 4 | 416 | 18 | 116 |
| Ohio | 11 | 6,083 | -176 | 5,868 | 0 | 50 |
| Oklahoma | 382 | 1,615 | 0 | 1,604 | 0 | 393 |
| Oregon | 8 | 1,289 | 0 | 1,436 | 0 | -139 |
| Pennsylvania | 70 | 7,076 | 44 | 7,182 | 0 | 8 |
| South Carolina | 80 | 1,804 | 0 | 1,859 | 0 | 25 |
| South Dakota | 20 | 268 | 2 | 269 | 0 | 19 |
| Utah | 24 | 892 | 3 | 889 | 0 | 30 |
| Vermont | -1 | 272 | 1 | 273 | 1 | 0 |
| Virginia | 300 | 2,834 | -16 | 2,353 | 568 | 198 |
| Washington | 6 | 3,452 | 0 | 3,208 | 0 | 250 |
| Wisconsin | 14 | 3,489 | 0 | 3,476 | 0 | 27 |
| Wyoming | 95 | 364 | 0 | 302 | 0 | 157 |

* While most states account so that beginning balance plus revenues plus adjustments minus expenditures minus transfer equals the ending balance, some do not.

## TABLE 7
## DATA PROVIDED BY STATE BUDGET OFFICES, FY 1983 REVISED*
## ($ MILLIONS)

| State | Beginning Balance | Revenue | Adjustment | Expenditure | Transfers | Ending Balance |
|---|---|---|---|---|---|---|
| Alabama | 24 | 1,815 | 0 | 1,839 | 0 | 0 |
| Arkansas | 0 | 1,143 | 0 | 1,140 | 3 | 0 |
| California | 105 | 20,052 | 0 | 22,271 | -463 | -1,651 |
| Colorado | 15 | 1,622 | 1 | 1,666 | 0 | -28 |
| Connecticut | -40 | 3,229 | 1 | 3,188 | 0 | 2 |
| Delaware | 51 | 677 | 0 | 677 | 0 | 51 |
| Florida | 259 | 4,888 | 0 | 5,147 | 0 | 0 |
| Georgia | 0 | 3,732 | 0 | 3,732 | 0 | 0 |
| Hawaii | 210 | 1,230 | 5 | 1,393 | 0 | 52 |
| Idaho | 0 | 395 | 50 | 442 | 0 | 3 |
| Illinois | 187 | 8,733 | 0 | 8,730 | 0 | 190 |
| Iowa | 22 | 1,857 | 0 | 1,869 | 0 | 10 |
| Kansas | 80 | 1,301 | 12 | 1,393 | 0 | 0 |
| Kentucky | 42 | 2,347 | 0 | 2,343 | 0 | 46 |
| Louisiana | 246 | 3,999 | 0 | 4,034 | 190 | 21 |
| Maine | 19 | 689 | 14 | 704 | 2 | 16 |
| Maryland | 156 | 3,079 | 0 | 3,234 | 0 | 0 |
| Massachusetts | 4 | 4,645 | 44 | 4,461 | 225 | 8 |
| Michigan | 0 | 4,593 | 0 | 4,593 | 0 | 0 |
| Minnesota | -598 | 4,136 | 253 | 3,392 | 359 | 49 |
| Mississippi | 40 | 1,290 | 0 | 1,309 | 0 | 21 |
| Missouri | 57 | 2,218 | 0 | 2,212 | 0 | 63 |
| Montana | 34 | 328 | 0 | 328 | 0 | 34 |
| Nevada | 45 | 360 | 23 | 400 | 0 | 28 |
| New Hampshire | -32 | 342 | 0 | 331 | 0 | -21 |
| New Jersey | 132 | 5,995 | 2 | 6,206 | 0 | -77 |
| New York | 49 | 16,712 | 378 | 16,433 | 1,236 | -530 |
| North Carolina | 108 | 3,515 | 0 | 3,623 | 0 | 0 |
| North Dakota | 116 | 330 | 0 | 436 | 0 | 10 |
| Ohio | 50 | 6,991 | -37 | 7,004 | 0 | 0 |
| Oklahoma | 393 | 1,688 | 0 | 2,002 | 0 | 79 |
| Oregon | -139 | 1,606 | 0 | 1,459 | 0 | 8 |
| Pennsylvania | 8 | 7,450 | 24 | 7,646 | 0 | -164 |
| South Carolina | 25 | 1,972 | 0 | 1,966 | 0 | 31 |
| South Dakota | 19 | 267 | 0 | 280 | 0 | 6 |
| Utah | 30 | 936 | 35 | 993 | 0 | 8 |
| Vermont | 0 | 326 | 0 | 329 | 0 | -3 |
| Virginia | 198 | 3,145 | -107 | 3,318 | 0 | -83 |
| Washington | 250 | 3,328 | 0 | 3,569 | 0 | 9 |
| Wisconsin | 27 | 3,788 | 0 | 4,124 | 0 | -266 |
| Wyoming | 157 | 411 | -40 | 416 | 0 | 112 |

* While most states account so that beginning balance plus revenues plus adjustments minus expenditures minus transfers equals the ending balance, some do not.